

CLAUSE I-68 – INTEREST (August 2002)

- (a) Notwithstanding any other clause of this subcontract, all amounts, except amounts that are repayable and which bear interest under a Price Reduction for Defective Cost or Pricing Data clause, that become payable by the Subcontractor to SURA under this subcontract (net of any applicable tax credit under the Internal Revenue Code (26 U.S.C. 1481)) shall bear simple interest from the date due until paid unless paid within 30 days of becoming due. The interest rate shall be the interest rate established by the Secretary of the Treasury as provided in Section 12 of the Contract Disputes Act of 1978 (Public Law 95-563), which is applicable to the period in which the amount becomes due, as provided in paragraph (b) of this clause, and then at the rate applicable for each six-month period as fixed by the Secretary until the amount is paid.
- (b) Amounts shall be due at the earliest of the following dates:
 - (1) The date fixed under this subcontract.
 - (2) The date of the first written demand for payment consistent with this subcontract, including any demand resulting from a default termination.
 - (3) The date SURA transmits to the Subcontractor a proposed supplemental agreement to confirm completed negotiations establishing the amount of debt.
 - (4) If this subcontract provides for revision of prices, the date of written notice to the Subcontractor stating the amount of refund payable in connection with a pricing proposal or a negotiated pricing agreement not confirmed by subcontract modification.
- (c) The interest charge made under this clause may be reduced under the procedures prescribed in 32.614-2 of the Federal Acquisition Regulation in effect on the date of this subcontract.